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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF WYOMING**

In re:	)	
	)	
DENNIS MEYER DANZIK	)	Case No. 19-20116
	)	Chapter 7
	)	
Debtor.	)	

**UNITED STATES' MOTION FOR RELIEF FROM AUTOMATIC STAY AND  
NOTICE OF TIME TO OBJECT**

The United States, by counsel, on behalf of its agency, the Internal Revenue Service (IRS), hereby files this motion for relief from the automatic stay to allow it to exercise any and all of its remedies to enforce a federal tax lien against real property owned by the Debtor. The grounds for this motion are the following:

1. IRS filed a proof of claim in this matter relating to federal taxes owed by the Debtor. The proof of claim includes a secured claim in the amount of \$681,357.79. *See* Attachment A (Claim 1-1, filed 3/27/19).
2. IRS filed notices of federal tax lien against the Debtor's property, including a notice filed in Park County, Wyoming, on September 6, 2017. That notice identifies an

unpaid tax liability in the amount of \$557,237.85. *Id.*

3. Among other things, the federal tax lien attached to a residence owned by the Debtor and his wife which is located at 1334 Sunset Boulevard South, Cody, Wyoming (hereinafter the “real property”).

4. On May 1, 2017, Richard Rofé filed an action in state court to foreclose a mortgage on the real property (“the state court action”). On November 2, 2017, Mr. Rofé filed an amended complaint in that action, naming the United States as a defendant.

5. The state court action was stayed as a result of Mr. Danzik’s Chapter 11 petition which was filed on December 6, 2017. *See In re Danzik*, No. 17-20934, Doc. 1.

6. Both Mr. Rofé and the United States were granted relief from the automatic stay in case 17-20934. *Id.*, Doc. 145 and 176.

7. On March 12, 2019, following the dismissal of case 17-20934, Mr. Danzik filed the present Chapter 7 case. As a result of that filing, a new automatic stay prevented further proceedings in the state court action.

8. Because of the Debtor’s successive bankruptcy case filings, the stay expired “with respect to the debtor” thirty days after the Chapter 7 petition was filed. 11 U.S.C. § 362(c)(3)(A).<sup>1</sup> But while § 362(c)(3)(A) terminates the stay as to the debtor and the debtor’s property, it does not terminate the stay with respect to actions against property of the estate. *In re Holcomb*, 380 B.R. 813, 816 (10th Cir. BAP 2008).

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<sup>1</sup> Mr. Danzik sought to extend that automatic stay beyond the 30-day period but this Court denied that motion on May 31, 2019. Doc. 69.

9. Mr. Rofé recently filed a motion for stay relief in this case, indicating that he intends to resume the proceedings in the state court action. Doc. 71. Accordingly, the United States needs stay relief in order to resume its participation in the state court action, to protect its interests, and to seek distribution of proceeds in accordance with the priorities established in that action.

10. Without stay relief, the United States' statutory lien interest in the real property is not adequately protected. The estimated value of the real property is \$1,190,000.00. Doc. 71 at 6. Mr. Rofé asserts that he has a superior lien interest in the amount of \$1,065,172.09 as of March 12, 2019, not including further significant interest accruals and a "substantial" claim for attorney fees. *Id.* The real estate is also encumbered by property tax liens in the amount of \$35,896.56. *Id.*

11. The United States is entitled to stay relief because its interest in the property is not adequately protected, the debtor has no equity in the property and the property is not necessary to an effective reorganization. 11 U.S.C. § 362(d).

For the foregoing reasons, the United States respectfully requests that the Court enter an order modifying the automatic stay and allowing the United States to enforce its lien interest against the real property. The United States further requests waiver of the stay under Fed. R. Bankr. P. 4001(a)(3) in order to expedite the proceedings in the state action and prevent further erosion of the United States' lien interest.

Respectfully submitted this 21<sup>st</sup> day of June, 2019.

MARK A. KLAASSEN  
United States Attorney  
By: /s/ Nicholas Vassallo  
NICHOLAS VASSALLO  
Assistant United States Attorney

**NOTICE OF TIME TO OBJECT**

YOU ARE HEREBY NOTIFIED that if you desire to oppose this motion, you are required to file with this court and serve on counsel for the movant, whose address is shown above, a written objection to the motion on or before July 8, 2019, or the relief requested may be granted by the Court.

Dated this 21<sup>st</sup> day of June, 2019

MARK A. KLAASSEN  
United States Attorney  
By: /s/ Nicholas Vassallo  
Assistant United States Attorney

**CERTIFICATE OF SERVICE**

IT IS HEREBY CERTIFIED that on June 21, 2019, a true and correct copy of the foregoing **United States' Motion for Relief from Automatic Stay and Notice of Time to Object** was filed with the Court's CM/ECF system, which will send a notice of electronic filing to counsel of record, and was provided to the following via U.S. Mail at the following address:

Dennis Danzik  
1108 14<sup>th</sup> Street  
Cody, WY 82414

☐ By Facsimile  
☒ By U.S. Mail – postage prepaid  
☐ By Hand Delivery  
☐ By Electronic Filing

Elizabeth Danzik  
1108 14<sup>th</sup> Street  
Cody, WY 82414

☐ By Facsimile  
☒ By U.S. Mail – postage prepaid  
☐ By Hand Delivery  
☐ By Electronic Filing

Randy L. Royal  
P.O. Box 551  
Greybull, WY 82426

☐ By Facsimile  
☒ By U.S. Mail – postage prepaid  
☐ By Hand Delivery  
☐ By Electronic Filing

United States Trustee  
308 West 21<sup>st</sup> Street, 2<sup>nd</sup> Floor  
Cheyenne, WY 82001

☐ By Facsimile  
☒ By U.S. Mail – postage prepaid  
☐ By Hand Delivery  
☐ By Electronic Filing

/s/ Elizabeth Kilmer  
United States Attorney's Office